Department of Administrative Services
Legislative Issues
November 27, 2007

At this time, the Department of Administrative Services will be prefiling proposed legislation on the following three issues:

1. Enacting necessary statutory changes to establish one customer council, rather than four.

    *   Providing staff support for four separate councils creates duplicative work for DAS staff. Establishing one customer council should reduce the internal workload without jeopardizing the functions of the Councils. When DAS was first created, separate Councils for the various Enterprises made sense in terms of all parties (DAS and our customer agencies) understanding their specific roles and responsibilities. As the level of understanding has matured, the frequency and length of time necessary for each Council to conduct its work has lessoned while the related staffing demands have not. <u>DAS believes that a single customer council should be able to satisfy the duties assigned by statute and have the following additional benefits</u>:

        a. Reduce DAS staff time necessary to support one Customer Council as opposed to multiple Councils.
        b. Reduce duplicative information development required for multiple Customer Councils, as well as eliminating inconsistent format issues resulting from multiple Councils requesting the same or similar information in differing formats.
        c. Reduce the staff commitment of our agency customers in providing individuals to sit on the various Customer Councils.

2. Establishing a separate Code section including a list of all DAS required reports.

    *   Currently, DAS reporting requirements are scattered throughout the Code. Creating a new Code section listing all statutory reports would allow the Department to more effectively monitor existing deadlines, and also provide an opportunity to review the necessity of reports and whether they are still useful in terms of the information provided given the resources needed to complete such reports.

3. Conforming existing law to the State Library's decision to move their mandated state reports document management system from ITE to the State Silo in Ames.

    *   The decision by the library effectively ends ITE's involvement with this responsibility, although the Code section still contemplates ITE's involvement.

We are also examining potential changes related to the following:

1. Enacting a "permanent" funding solution to replace the current health insurance administrative fee charged to departments.

    - Establish new funding source to the cover the costs of administering the State's health insurance program.
    - Code section 8A.454 establishes a fund and a monthly per contract fee to be assessed by DAS on all health insurance plans administered by DAS in which the contract holder (employee) has a state employer to pay the fee. The actual amount of the fee is established by Legislature on an annual basis. When this fee was originally established during the 2003 Legislative Session, language was included repealing the fee effective July 1, 2007. During the 2007 Legislative Session, DAS requested that the repeal be struck, thereby making the per contract fee permanent. In conversations with the Senate, it was decided to extend the repeal date for another two years with the understanding that we would attempt to identify an alternative funding source. We are currently discussing what that alternative funding source will be.

2. Eliminating an existing inconsistency between Code chapters 26 and 573 that relate to vendor bonding requirements for construction contracts.

    a. Chapter 573 requires a bond of 100 percent of the price of the contract, and chapter 26 requires only "not less than" 75 percent of the cost of the contract.
    b. At this time, we do not have a recommended solution, but will be discussing how to resolve this inconsistency in the near future. We will provide additional information as it is available.